United Nations DP/2006/1

Executive Board of the United Nations Development Programme and of the United Nations Population Fund

Distr.: General
10 November 2005

Original: English

First regular session 2006
20 to 27 January 2006, New York
Item 1 of the provisional agenda
Organizational matters

Report on the second regular session 2005 (6 to 9 September 2005, New York)

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05-59834 (E) 061205

I. Organizational matters

1. The second regular session 2005 of the Executive Board of UNDP and UNFPA met from 6 to 9 September in New York. At the session, the Executive Board approved the agenda and work plan for its second regular session 2005 (DP/2004/L.3 and Corr.1), and the report on the annual session 2005 (DP/2005/29 and Corr.1).

2. The Executive Board agreed in decision 2005/42 to the following schedule of sessions of the Executive Board in 2006:

First regular session 2006:	20 to 27 January 2006
Annual session 2006:	12 to 23 June 2006 (Geneva)
Second regular session 2006:	11 to 15 September 2006

3. Decisions adopted by the Executive Board at the annual session 2005 were included in document DP/2005/30 accessible at www.undp.org/execbrd.

4. The Board adopted decision 2005/32 on the working methods of the Executive Board but wished to record officially that it had not taken note of document DP/2005/CRP.13, proposals to improve the working methods of the Board, which was not discussed formally owing to lack of time.

Administrator's statement

5. In his inaugural address to the Executive Board, the Administrator, UNDP, reflecting on the imminent 2005 World Summit and the 10-year path towards Millennium Development Goal (MDG) achievement in 2015, affirmed 2005 as a historic moment for UNDP and a critical time for global development efforts. Citing the achievements and paying tribute to his predecessor, he asserted his aspiration to steer UNDP towards even greater efficiency, effectiveness and development results. He drew attention to the challenges ahead, highlighting steps to:

(a) *Refocus resource mobilization efforts*, in particular broadening the donor base to include more programme countries contributing to core resources – noting that while core resource grew during the first multi-year funding framework (MYFF), programme country contributions declined and official development assistance (ODA) increases were offset in real terms due among other factors to inflation and currency fluctuations;

(b) *Instil the march towards achieving the MDGs with an 'urgency of purpose'* while recognizing that the goals are technically and economically attainable – while developing countries must lead, the rich countries must fulfil their MDG 8 pledge for more/better aid, pro-poor trade and enhanced debt relief;

(c) *Recognize the legitimacy of development assistance*, citing evidence that aid stimulates growth in countries with good institutions and policies, thereby stressing the primacy of governance, and when targeted directly specifically towards development;

(d) *Promote gender equality and mainstreaming* and appreciate gender's centrality to overall development success, citing evidence that gender equality accelerates economic growth, strengthens democratic governance and reduces poverty and

insecurity. In this effort, he sought closer ties with the United Nations Development Fund for Women (UNIFEM);

(e) *Develop more effective partnerships* with the international financial institutions and greater coordination among United Nations organizations, noting the shortcomings resulting from needless fragmentation;

(f) *Uphold the highest standards of accountability and transparency* by strengthening financial and management procedures and safeguards;

(g) *Spearhead United Nations reform at the country level* by establishing a Management Team to ensure a common approach and strengthen UNDP stewardship of the resident coordination system via notably the continued piloting of the country director model.

6 In laying out a shared vision of UNDP, he stressed the need for UNDP to be at the centre of the development and economic debate, and the critical role it must play in providing conceptual approaches and policy alternatives to assist developing countries, especially the least developed countries (LDCs), without neglecting middle income and transition countries. He also highlighted the importance of South-South cooperation, MDG-based poverty reduction strategies, post-conflict recovery activities, and maintaining political neutrality while promoting democratic governance. He looked forward to working with the Board on these issues in the years ahead.

7 Delegations congratulated the Administrator on his appointment and welcomed him to his first Board session. They commended him for his inspiring, encouraging statement and concurred with much of his analysis, conclusions and vision for the future of UNDP. They assured the Administrator of their strong support and expressed their eagerness to work with him in the years ahead to fulfil his ambitious plan.

8 They drew attention to areas where UNDP should focus, emphasizing its role in spearheading follow-up to the 2005 World Summit, most notably on its development aspects and the Millennium Development Goals (MDGs). In that regard, they stressed the crucial role of UNDP in: (a) United Nations reform, harmonizing field level operations via the resident coordinator system to avoid fragmentation and financing country director positions through unearmarked funds; (b) supporting the newly founded Peacebuilding Commission, through which UNDP should play a greater role in post-conflict prevention and recovery, especially in fragile states; (c) prioritizing the needs of the least developed countries (LDCs), especially in Africa, advocating for fair trade and debt relief; (d) expanding partnerships, foremost by broadening the donor base, implementing the Paris Agreement on Aid Effectiveness and upholding its neutral character; (e) fortifying human security efforts through its inter-agency coordinating role at the country level; (f) fostering South-South cooperation and best practices via its extensive knowledge networks; (g) prioritizing gender equality in programming and gender mainstreaming in-house, allocating a clear budget line for gender in the biennial support budget, and tightening collaboration with UNIFEM; and (h) aligning the PRSP process with the MDGs at the country level, and ensuring national ownership.

9 In response, the Administrator, thanking delegations for their endorsement and encouragement, concurred with their emphasis on United Nations reform and stressed the need to curb United Nations system fragmentation while capitalizing on agencies' comparative advantages. Results-based management and empowering of

field staff via new technologies would provide the keys for success and greater impact for the poor. But economic growth would remain inaccessible without a strong entrepreneurial private sector buttressed by the rule of law and a stable public sector. Here he pointed to the need for continued partnership with the international financial institutions, and underlined the importance of aligning the PRSP with the MDGs. Reiterating the need to prioritize gender, he encouraged the development of a more practical approach. Highlighting the unique role of UNDP as a permanent presence in countries for peacebuilding and transition to recovery, he saw a central role for UNDP in the Peacebuilding Commission. He looked forward to discussing those and other issues both formally and informally with delegations.

UNDP segment

II. Financial, budgetary and administrative matters

10. The Assistant Administrator and Director, Bureau of Management, introduced the UNDP budget estimates for the biennium 2006-2007 (DP/2005/31), the report of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) (DP/2005/32), the annual review of the financial situation 2004 (DP/2005/33 and Add.1), and information on United Nations system technical cooperation expenditures 2004 (DP/2005/34 and Add.1). In his presentation, he underscored the overall positive financial context, with both core and non-core steadily growing. Projections for 2006-2007 levelled in at $1.9 billion for core and $5.6 billion for non-core.

11. Delegations expressed their satisfaction with the continued steady rise in core and non-core resources and the general positive financial outlook. They noted the move to prepare the budget in accordance with the principles laid out in the MYFF and Board decisions, commending in particular the shift towards results-based budgeting. They nevertheless drew attention to the value of increased resources in real terms, as noted by the Administrator.

12. Delegations stressed the importance of funneling resources away from administrative costs towards programming activities, and endorsed the ACABQ recommendations regarding the streamlining of the organization's cost structure and funding modality proposals. There was concern raised that funding for the proposed 40 country director posts would be allocated from non-core resources; on this issue they requested clarification and suggested further discussion on the impact of the initiative at the country level. They urged UNDP to avoid the upward reclassification of posts save for exceptional circumstances.

13. Delegations welcomed the mainstreaming of the United Nations Capital Development Fund (UNCDF) into the UNDP biennial support budget while maintaining it independent but financially integrated, and stressed the need to ensure its adequate funding.

14. Regarding budget increases for items such as security, there was a request to learn how UNDP determined budget allocations from either core or non-core for new items, and it was noted that UNDP must make every effort to ensure proper management, auditing and evaluation. UNDP should also avoid duplication of security measures with other United Nations agencies.

15. Several delegations questioned why no separate budget line was accorded to gender, and strongly suggested that gender receive greater resources and additional posts. There was also a request to consider elevating the Executive Director position of the United Nations Development Fund for Women (UNIFEM) to that of Assistant Secretary-General.

16. In its decision, the Board approved gross appropriations for the purposes indicated in the report, except the proposed new regional advocacy posts and the resources expenditure associated with them, and indicated that income estimates should be used to offset the gross appropriations. Programme countries were encouraged to meet their obligations towards local office costs.

17. Board members authorized the Administrator to redeploy or reprioritise resources between appropriations lines up to a maximum of 5 per cent of the appropriation line to which the resources were redeployed. They urged UNDP to continue to realign the funding modality of UNDP support requirements towards proportional cost sharing between regular and other resources. They also endorsed the proposal to reflect security costs as a separate line in the UNDP resource plan. The Board endorsed the priority given by the Administrator to gender mainstreaming and requested that the implications of the gender action plan for 2006 be reflected in the budgeting process.

18. In response, the Assistant Administrator and Director, Bureau of Management, recognized the complexity and redundancy of the budget format. UNDP was working with other agencies on greater harmonization and making the budget more results-based. He looked forward to working with delegations in designing the next budget. Regarding resources, he noted an anticipated budget increase of $200 million for programming. He also assured delegations that UNDP would heed ACABQ recommendations on post reclassifications, trying to keep them to a minimum. On cost recovery, he pointed out that 2005 rates rose, which was helpful in shifting from core to non-core.

19. On gender, he explained that the budget accounted for gender elements like training and methodology but suggested that the real issue was priority setting, which would be addressed further in the action plan. He noted that UNDP had gender-specific focal points in all bureau and country offices, gender strategies built into country level programming, and close collaboration with UNIFEM, whose Executive Director was part of the Strategic Management Team. He stressed the need to use existing resources and capacities more effectively and noted that UNDP assessed senior staff performance on mandatory gender targets.

20. He expressed appreciation for donor support in overall United Nations reform efforts, especially concerning the financing of country director posts, the results for which had been encouraging but which would need further funding increases to ensure full impact. On security, he laid out the basic costing principles to follow: determining a reasonable base structure and defining a variable cost distribution between core and non-core, which would require further analysis. He also mentioned that the United Nations Department of Safety and Security assuming certain costs would allow UNDP to reduce its administrative costs for security.

21. The Executive Board adopted decision 2005/33 on the UNDP biennial budget estimates, 2006-2007, and decision 2005/34 on the UNIFEM biennial budget estimates, 2006-2007.

22. The Executive Board took note of the report of the ACABQ on the UNDP budget estimates for the biennium, 2006-2007 (DP/2005/32), the report of the Administrator on the annual review of the financial situation, 2004 (DP/2005/33 and Add.1), and the information on United Nations system technical cooperation expenditures, 2004 (DP/2005/34 and Add.1).

III. Evaluation

23. The Assistant Administrator and Director, Bureau for Development Policy, and the Director, Evaluation Office, introduced the evaluation of the regional cooperation framework for the Arab States, 2002-2005 (DP/2005/36), submitted in accordance with a Board decision requesting forward looking independent evaluations of regional programmes prior to the drafting and submission of new programmes.

24. Delegations noted the six key findings of the evaluation and commended the approach and methodology used to assess outcomes. They noted the evaluation's timeliness, expressed appreciation for UNDP efforts in that area, and recognized the enhanced perspective of regional issues offered by the *Arab Human Development Report*.

25. Delegations welcomed the evaluation's recommendations for better links between regional and national programmes while requesting more details; and appreciated the annex and the introduction of qualitative data while suggesting indicators be more impact oriented.

26. Some, however, stressed the need for more focus on policy and programme impact at the national level, and others more project-based evaluation outcomes. It was noted that while the proposed recommendations were good, there was a need to prioritize them, beginning with improving links between regional and national programmes and meeting the criteria laid out in the report, notably in paragraph 52.

27. One delegation noted the report's emphasis on regional water management and recognized the need to strengthen regional institutions in that area to bolster development efforts and allay the potential for conflict. In the realm of population growth, the importance of new specific measures to address the links between gender and poverty was underlined. While expressing support for establishing 'youth' as a crosscutting issue, UNDP was encouraged to differentiate between young men and young women in doing so. There was a general call for greater cooperation between UNDP and programme countries.

28. Drawing attention to two deficiencies in the region identified in the report, i.e. HIV/AIDS and human rights, one delegation suggested that other issues as well needed to be addressed in any regional development strategy, adding that they were perhaps not regionally 'representative'. Also while welcoming the methodology, it was noted that the *Arab Human Development Report* should only serve as input to the regional cooperation framework and not as its 'basis', because of a lack of adequate consultations with Member States.

29. In response, Director, Evaluation Office, thanking delegations for their comments, addressed four areas of concern: (a) evaluation outcomes and impact measurement, about which she fully agreed with delegations concerns, and assured

them that the subsequent phase would heed more attention to capacity development, and rework methodology so as to clearly reveal the impact level; (b) baseline information and nature of indicators, on which UNDP should collaborate more closely with operational units to measure trends; (c) the need to prioritize recommendations, which effectively had been addressed during the item under discussion; and (d) future evaluation of new programmes, which would require refocusing owing to issue changes. On the management side, she added that evaluation exercises should pay more attention to innovative and crosscutting issues, engage more closely with country offices and build knowledge links at the country level.

30. The Executive Board adopted decision 2005/35 on the evaluation of the regional cooperation framework for the Arab States, 2002-2005.

IV. Country programmes and related matters

31. The Assistant Administrator and Director, Bureau for Development Policy, introduced the item on country programmes, which included the draft regional programme document for the Arab States (DP/RPD/RAS/1), draft country programme documents, extensions of country cooperation frameworks (DP/2005/37), and assistance to Myanmar: extension of the Human Development Initiative – Note by the Administrator (DP/2005/38).

32. UNDP regional bureau directors presented the following first draft country programme documents to the Executive Board for review: Chad, Swaziland, Libyan Arab Jamahiriya, Afghanistan, Bangladesh, Indonesia and Guyana. UNDP would incorporate Board comments in its country programmes prior to their finalization and approval at the first regular session 2006. Once finalized in light of Board comments at the current session, country programmes would be posted on regional bureau web sites by end October.

33. The Executive Board took note of the above-mentioned draft country programme documents and the comments made thereon.

34. The Board approved the two-year extensions of the second country cooperation framework for Mexico and the country programme for Timor-Leste; the extension of the regional cooperation framework for Latin America and the Caribbean for two years, from 1 January 2006 to 31 December 2007; and the exceptionally requested third-year extensions of the second country cooperation frameworks for Chile and Uruguay.

Draft regional programme document for the Arab States

35. In welcoming and expressing strong support for the draft regional programme document for the Arab States (DP/RPD/RAS/1), delegations endorsed the three pillars – MDG achievement, democratic governance, building a knowledge society – including youth as a crosscutting issue, and were pleased that gender equality and environmental sustainability, in particular water resource management, were highlighted as priorities.

36. It was hoped, however, that the global view required of a regional programme would still allow for country-specific approaches. In undertaking the three pillars, for example, UNDP should take into consideration the diversity of Arab States. Issues such as HIV/AIDS, chosen as a priority in pillar one, should be dealt with differently depending on the national context.

37. One delegation stressed the importance of addressing the pillars equally, not focusing on issues that might seem more attractive politically, in the media or for advocacy purposes. Other issues – some already addressed in the three pillars – should also be prominent in the finalized regional programme, most notably basic education, improving health care systems, debt sustainability, trade and capacity building. There was also a call to continue to expand existing links between global, regional and country programmes.

38. Regarding the water resource management initiative laid out in paragraph 25 of the report, one delegation raised concern over tackling water use and conservation from a conflict prevention or transboundary waters perspective by adopting a potentially controversial human rights-based approach. In that regard, there was a request that the report discuss how the UNDP shared river basin management initiative could serve as a vehicle to support work on transboundary waters in the region.

39. Noting that the *Arab Human Development Report* identified three impediments to human development in the region – deficits in freedom, women's empowerment and knowledge – one delegation suggested that the proposed regional programme give a more prominent place to women's empowerment. Although pillar one on the MDGs included gender, UNDP should incorporate women's empowerment as an integral part of the other two pillars, and not only as part of poverty reduction.

40. Delegations looked forward to participating actively in consultations leading up to the finalization of the regional programme and its endorsement by the Board at the first regular session 2006.

41. In response, the Chief, Regional Programme Division, Regional Bureau for the Arab States, thanked delegations for their support and comments, and addressed a number of their concerns. She stated that UNDP would address the three pillars equally, adding that the resource picture showed that the organization was looking closely at how to leverage each.

42. Concurring that regional diversity meant adopting country-specific approaches, she highlighted that UNDP allowed room for manoeuvre, using HIV/AIDS as an example. Pointing to paragraph 24 of the report, scaling up the response to HIV/AIDS, she stressed that while emphasizing common approaches in advocacy, resource mobilization and coalition building, UNDP left elaboration of specific structures to the countries.

43. On water resource management, UNDP interventions although still in the conceptual stage would be based fully on the global approach in consultation with international partners, including the Global Environment Facility, the International Development Research Centre, the Mediterranean Environmental Technical Assistance Programme and other international organizations. UNDP would continue to keep delegations abreast of the content of those programmes as they evolved.

44. On gender, she assured delegations of its growing prominence in the regional programme. Pointing to paragraph 23, on the gender equality MDG, UNDP was

keen to mainstream and fully integrate gender, working on women's rights through the ICT for Development Programme, gender and citizenship through governance interventions, and the gender dimensions of poverty through the poverty programme. UNDP was also open to developing a gender programme pursuant to analysis from the forthcoming 2006 *Arab Human Development Report*.

45. UNDP would continue to discuss emerging issues of importance such as debt and trade, which the programme also addressed, and was engaged in joint efforts with other United Nations agencies on basic education and health care. The organization welcomed and was committed to the consultation process in finalizing the programme.

46. The Executive Board took note of the draft regional programme document for the Arab States (DP/RPD/RAS/1).

Assistance to Myanmar: Extension of the Human Development Initiative

47. In response to the presentation of the Assistant Administrator and Director, Regional Bureau for Asia and the Pacific, RBAP, and the Resident Representative, UNDP Myanmar, on the extension of the Human Development Initiative (HDI) (DP/2005/38), delegations commended the Resident Representative for his excellent presentation. While noting the difficult policy and operational environment, they drew attention to the ever-declining plight of the poor, especially in the context of rising HIV, tuberculosis and malaria levels. In that regard, they showed strong support for the HDI programme; they highlighted the impressive results achieved and encouraged the international community to strive to support it as well as the HIV/AIDS Fund, which they hoped UNDP would continue to manage. They urged UNDP to step up HDI monitoring, evaluation and coordination efforts. There was also a call to expand partnerships with community-based organizations, ensure the benefits of UNDP initiatives do not reach the military, and ensure continued attention to the needs of women.

48. In response, the Assistant Administrator and Director, RBAP, thanked delegations for their comments and assured them that as in the past UNDP would strictly adhere to Board guidelines. He also reiterated his reassurances that the organization would avoid any situation that could benefit the military in any way, while the needs of women would continue to be addressed.

49. In decision 2005/42, the Executive Board approved an additional two-year extension of the fourth phase of the Human Development Initiative in Myanmar for the period 2006-2007.

V. United Nations Office for Project Services

50. The Executive Director, United Nations Office for Project Services (UNOPS), presented the report on restoring the viability of UNOPS as a self-financing entity: an action plan (DP/2005/39) and its supplement (DP/2005/CRP.14), submitted in response to decision 2005/6. The report proposed two options to move ahead.

51. Option 1 proposed an immediate, consolidation and focus of the range of services provided in UNOPS geographic coverage and fixed-cost structures, allowing it to regroup and rebuild its capacity, reputation and reserves around a core set of product offerings and skill-sets designed to assure rapid delivery of high-quality, concrete results for clients.

52. Option 2 would maintain the current wider range of service offerings but propose cuts to its fixed costs, rationalization of its structures, and a phasing-out of portfolios where full cost recovery would not be achievable.

53. The Executive Director stated that in UNOPS view option 1 offered the strongest opportunity for an accelerated return to sustainable financial viability, stressing that the proposed options were elaborated in consultation with Member States and clients.

54. Delegations, commending the Executive Director for his forthright assessment and clear presentation, expressed their confidence in him and his leadership. Many concurred with his conclusion that option 1 would offer UNOPS the best way forward, while noting that both options contained risks and opportunities.

55. Some delegations, however, raised queries about the two options, asserting that neither was ideal as a stand-alone option. They requested more detailed information on the share of the market that UNOPS actually commanded and commented on its dual public-private character, and how that corresponded with its United Nations mandate. There was also a call to maintain UNOPS as a self-financing entity without limiting its current range of activities.

56. In its decision, the Board chose a modified option 1, recognizing the necessity to implement the measures it proposed yet not excluding broader service provision, so long as it assured full cost recovery. Option 1 would position UNOPS as a complex operations management and full-service implementation entity, offering a focused set of product lines, working in partnership with international financial institutions (IFIs), United Nations system and government clients to deliver concrete, rapid results.

57. These interventions would take place primarily at the country level, in post-conflict and natural-disaster response environments, and in developing countries requiring infrastructure development, complex operations management with capacity-building support as well as on provision of services and products in areas where demand was strengthening, to ensure full cost-recovery to UNOPS and to provide a reliable foundation on which to focus and rebuild its financial viability.

58. Board members reiterated that the decision did not exclude the provision of services to clients in different situations and circumstances than those cited, so long as UNOPS could provide satisfactory services at full cost recovery while ensuring its financial viability. The reform measures should enable UNOPS to return to sustainable financial viability, rebuild the operational reserve, and meet its statutory obligations regarding staff post-service benefits, among others.

59. In response, the Executive Director, UNOPS, thanked delegations for their observations and addressed numerous concerns raised. Despite its public-private appearance, UNOPS was a public entity adhering strictly to its United Nations mandate although with a clear General Assembly directive to be self-financing. As a result, a business approach tended to prevail based on market demand, which was nevertheless circumscribed by the agency's mandate. He asserted that senior United

Nations officials, who regularly consulted with Member States, affirmed that the best approach was to maintain UNOPS as a separate self-financing entity, especially given its growing niche in crises and post-conflict situations. UNOPS, however, was not closed to widening its service range in the future.

60. He stressed that UNOPS could not move ahead laden with financial instability. As stated by the Board, the operational reserve should stand at a level of 4 per cent of the combined portfolio turnover and levels of the annual operating budget of the entity. As a self-financing entity, UNOPS needed to ensure full cost recovery, inter alia, for the replenishment of its mandated operational reserve levels. He maintained that UNOPS did not engage in business for business sake, but the prevailing business acquisition trends clearly showed that there was demand for UNOPS services. And the agency would follow where the market dictated and in areas where the United Nations could play a role.

61. Option 1 was clearly the immediate way to cut costs and move ahead. But while business in crisis environments was by definition volatile, data showed that business would continue at a significant level for the subsequent 24 months. To address concerns, UNOPS had adopted a risk management approach to option 1 by reducing the cost base and ensuring that major costs were factored into project budgets. Option 1 did not simply propose sustaining UNOPS but responded to the clear demand and niche for its services.

62. The Executive Board adopted decision 2005/36 on the UNOPS plan of action.

UNFPA segment

Statement by the Executive Director

63. The Executive Director extended a warm welcome to new members of the Executive Board, as well as to the new UNDP Administrator. She offered sincere condolences to those who had suffered from the devastation caused by Hurricane Katrina. Underscoring that the upcoming World Summit was a historic moment for world leaders to ensure achievement of the Millennium Development Goals (MDGs) by 2015, the Executive Director noted that the issues of population, gender, reproductive health and rights were critical to the larger development, security and human rights agenda. She drew attention to the issue of accountability, which was demanded of the United Nations system as never before.

64. The Executive Director focused on the following key issues and themes: Freedom from fear and freedom from want; universal access to reproductive health as essential for achieving the MDGs; reform and renewal and increasing aid effectiveness; national capacity development and achieving results at the country level; linking sexual and reproductive health and HIV-prevention policies and programmes; reproductive health commodity security (RHCS); strengthening technical assistance at national and regional levels; regionalization; humanitarian response and peace-building, including mainstreaming emergency preparedness in all aspects of the Fund's work; and the importance of focusing on culture, gender and human rights in programming. The Executive Director drew attention to the UNFPA items before the Executive Board. She emphasized that the biennial support budget was geared to making UNFPA more effective in responding to country needs.

She noted that by strengthening country offices UNFPA would be better positioned to assist in national capacity-building and to support programmes that responded to national priorities.

65. Delegations congratulated the Executive Director on her excellent statement and her effective leadership. They welcomed her positive and optimistic approach in facing challenges and commended the "life-saving" work of the Fund. They stressed that meeting the goals of the International Conference on Population and Development (ICPD) was a prerequisite for achieving the MDGs. Emphasizing the central role of UNFPA in promoting reproductive health and gender equality, delegations underlined the importance of focusing attention on these issues at the upcoming World Summit. They underscored that the work of the Fund was essential to achieve the MDGs. Delegations called for renewed commitment to the United Nations Charter and to sustainable development. One delegation called attention to a policy guidance note that its country had developed with UNFPA inputs on "ICPD, Population, Reproductive Health and Gender: Achieving the Millennium Development Goals in Sub-Saharan Africa".

66. Noting the Fund's robust financial health, delegations welcomed the increase in the Fund's resources and were pleased to note the expanding donor base. They underscored that core resources were essential for the Fund's stability. Norway announced that it would make multi-year pledges to UNFPA starting in 2006. Sweden stated that it would increase its core contribution in 2006. Delegations welcomed the efforts under way to implement results-based budgeting (RBB). They stated that they looked forward to learning more about the Fund's study on regionalization. Delegations commended the UNFPA efforts with regard to emergency preparedness, humanitarian response, and transition and recovery. They emphasized the need to work in coordination and collaboration with other partners. They asked the Fund to present a comprehensive strategy at a later session. Delegations underscored the importance of South-South cooperation. They appreciated the Fund's commitment to RHCS and welcomed the informal briefing held earlier. Underscoring the importance of simplification and harmonization and increased coordination, delegations welcomed the common country programme for Cape Verde. Some delegations expressed concern about the cost increases associated with Atlas implementation.

67. The Executive Director thanked the Executive Board members for their strong support and appreciated their affirmation that meeting the goals of ICPD was essential for achieving the MDGs. She thanked the delegations that had made announcements regarding 2006 contributions. She emphasized that the active involvement of the Government was a major factor in the strength of the Cape Verde common country programme. Noting that UNFPA had been pleased to cooperate with a donor country on a publication on ICPD, reproductive health and gender, she stressed that the relationship between UNFPA and its donors went far beyond just the flow of money and involved a reciprocity of knowledge and a partnership of thought and action. She thanked the delegates departing from New York for their support. She assured the Board that UNFPA was working with UNAIDS, the World Bank and other co-sponsors on follow-up to the recommendations of the Global Task Team (GTT) on Coordination. She underscored the importance of scaling up efforts to combat HIV and reduce maternal mortality. She thanked the Board members for their passionate commitment to addressing those issues. She noted that RBB and Atlas implementation would be discussed under agenda item 7.

68. Underscoring the need for flexibility in utilizing resources to respond to emergency/humanitarian crises, she noted that $1 million had not been sufficient to meet the needs of the tsunami-affected countries and she had had to in effect authorize use of additional resources. She confirmed the Fund's commitment to South-South cooperation and noted that it would be further institutionalized within UNFPA during 2006. She added that South-South cooperation was an important element of the Fund's multi-year funding framework. Referring to the Pan Arab Project for Family Health (PAPFAM) supported by UNFPA and others, she noted that it was now a unit integrated in the structure of the League of Arab States and provided valuable data for planning. She concluded by appreciating the commitment of UNFPA staff to the mission and mandate of the Fund and thanked them for their contributions to successful Executive Board sessions.

VII. Financial, budgetary and administrative matters

69. The Deputy Executive Director (Management) introduced the three documents under item 7: Estimates for the biennial support budget (DP/FPA/2005/13); Report of the Advisory Committee on Administrative and Budgetary Questions (DP/FPA/2005/14); and the Annual financial review, 2004 (DP/FPA/2005/15).

70. Delegations commended the increase in UNFPA resources and were pleased to note the Fund's robust financial health. They welcomed the expanded donor base, noting the all-time high of 166 donors. They underscored that core resources were the bedrock of UNFPA and called for increased contributions to the Fund. Delegations welcomed the clear and streamlined presentation of the budget. They encouraged UNFPA to move forward with implementing results-based budgeting (RBB) in harmonization with UNDP and UNICEF. In that regard, they welcomed the informal consultation on RBB that had taken place prior to the Executive Board session.

71. Delegations stressed the importance of allocating maximum resources for programming and expressed concern regarding the increase in the biennial support budget (BSB) compared to the previous biennium. While noting the comments of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) concerning new posts and reclassifications of posts, delegations stated that the increase in posts seemed justifiable for UNFPA to deliver its programme. In particular, delegations welcomed the fact that the majority of new posts would be in country offices, with a focus on strengthening offices in sub-Saharan Africa. Two delegations thanked UNFPA for proposing to elevate, under the new budget, the level of UNFPA representation in their respective countries. They expressed appreciation for the Fund's past technical and financial assistance. Delegations drew attention to the "human face" of the important work UNFPA was carrying out in countries around the globe. Additional information was requested concerning the reclassification of posts.

72. Several delegations stated that they looked forward with interest to learning more about the regionalization study being undertaken by UNFPA. Concerning cost recovery, one delegation asked if the new policy ensured that full costs associated with non-core activities, direct and indirect, were recovered. Delegations expressed concern regarding increasing costs for rent, security and human resources. While generally considering the cost increases justifiable, they urged circumspection in

budget management. They hoped that United Nations reform would bring increased savings, synergies and efficiency. Some delegations wondered why the projection for other resources in 2006-2007 seemed so cautious compared to the previous biennium. Delegations supported the Atlas implementation. However, they expressed concern regarding cost increases. They hoped that the upcoming joint UNDP/UNFPA informal briefing on Atlas would provide information on the costs, the benefits and the challenges in implementing the Atlas system. *(N.B. The Executive Board postponed the briefing due to a lack of time)*

73. The delegation of Norway announced that its country would begin making multi-year pledges to UNFPA starting in 2006.

74. The Deputy Executive Director (Management) thanked the delegations for their constructive comments and their support for strengthening UNFPA country offices. She thanked Norway for the announcement on multi-year pledging. Concerning post reclassifications, she clarified that UNFPA worked in an increasingly complex environment and the posts needed to be adapted to match those increased responsibilities. She pointed out that staff members were already performing at a higher level of responsibility. She added that the post upgrades were subject to strict system-wide standards of the International Civil Service Commission. Regarding the comments on the increase in the BSB, she pointed out that compared to the increase in income the share of the BSB had decreased slightly: while in the 2006-2007 biennium the BSB would be 28 per cent of regular resources, in the 2004-2005 biennium the BSB had been 28.9 per cent of regular resources. Concerning cost savings, she noted that common premises did not necessarily reduce costs. Often the cost of being in a common building was higher than the costs in the previous building. She hoped that joint offices would help to reduce transaction costs and would result in more effective support for countries. Concerning system-wide security costs, she observed that the subject would be discussed later by the General Assembly.

75. Regarding cost recovery, she stated that UNFPA was applying the rates approved by the Executive Board that were based on a methodology recommended by the Joint Inspection Unit and harmonized with UNDP and UNICEF. She added that in arriving at the revised rate for cost recovery, UNFPA had used long-term trends for fixed and variable indirect costs. Regarding RBB, she noted that basically the budget processes of UNFPA, UNDP and UNICEF had been harmonized. It was expected that RBB would be in place by 2008. A mock-up using the new methodology was expected to be presented to the Executive Board sometime during 2006 and informal consultations would take place prior to that. She noted that UNFPA was playing a leading role in the RBB process under the leadership of its Director, Division for Management Services (DMS), the Chief of the Finance Branch and the Chief of the Budget Unit. Concerning other resources, she stated that they were unpredictable, thus UNFPA considered it prudent to base projections on a long-term trend and not the amount received in a specific year. Regarding plans for regionalization, she noted that UNFPA had initiated an analysis of costs and benefits, and further analysis would be undertaken as part of the ongoing study of regionalization. Regionalization was an important dimension of United Nations reform and UNFPA was consulting with other partners in undertaking its study. The ultimate purpose was to help strengthen the Fund's work at country level and to enhance national capacity-building. She concluded by assuring the Executive Board that UNFPA was judicious in its expenditures and very careful in managing its budget.

76. The Director, DMS, appreciated the useful guidance provided by the Executive Board. He noted that UNFPA had always exercised prudent cost containment measures and under the proposed BSB while core income would grow by 27 per cent, the BSB would grow only by 23 per cent. He stated that as the Fund's income continued to grow the ratio would continue to improve. While observing that UNFPA had a number of fixed costs, he underscored that every effort was made to ensure that maximum resources were deployed for programmes, as was the case for the current biennium 2004-2005. Regarding the implementation of Atlas, he noted that 2004 had been a challenging year, however, much had been accomplished. He stated that Atlas would help to deliver an improved internal control framework and increased accountability. Concerning the projection for other resources in 2006-2007, he noted that it reflected long-term trends. He emphasized that UNFPA was ready and equipped to implement additional programmes as and when other resources were made available.

77. The Executive Board adopted decision 2005/37: Estimates for the UNFPA biennial support budget for 2006-2007; and decision 2005/38: UNFPA annual financial review, 2004. The Board took note of the report of the ACABQ (DP/FPA/2005/14).

VIII. Country programmes and related matters

78. The Directors of the Africa Division and the Asia and the Pacific Division introduced the draft country programme documents from their respective regions: Chad (DP/FPA/DCP/TCD/5), Swaziland (DP/FPA/DCP/SWZ/4), Afghanistan (DP/FPA/DCP/AFG/2) and Indonesia (DP/FPA/DCP/IDN/7).

Africa region

79. Delegations welcomed the focus on national capacity-building in the **Chad** programme and the emphasis on working in a culturally sensitive way with religious leaders and local communities in addressing reproductive health and gender issues. Noting that 75 per cent of the women had never attended school, they underscored the importance of education of women and girls and encouraged strategic partnerships in that area. One delegation asked how the lack of reliable data would be addressed. Given the weak staff presence on the ground, the delegation wondered about programme follow-up and also inquired about the impact of the Darfur crisis. Concerning the **Swaziland** programme, one delegation stressed the importance of community-based responses and supported the related planned activities for youth. Regarding HIV/AIDS, in view of the high prevalence rate in the country, one delegation emphasized the need for enhanced prevention and care efforts and strengthened partnerships between UNFPA and other United Nations agencies. Clarifications were sought on how UNFPA was partnering with other agencies. Delegations noted that in addition to increasing access to services for girls, male involvement was equally important, in particular to address the need to change the attitudes of men and boys.

80. The Director, Africa Division, appreciated the supportive comments and guidance. She concurred on the central importance of the education of women and

girls, noting that Chad was one of the countries where the enrollment gap between boys and girls had not been bridged. Concerning data, she noted that UNFPA would support work to develop indicators and collect data, including baseline data to track results. She stated that steps were being taken to strengthen staff in the country office and to build national capacity. She noted that the presence of refugees from Darfur had put pressure on the availability of basic social services. Regarding the Swaziland programme, she agreed that a community-based approach was important. She concurred on the importance of male involvement in addressing HIV/AIDS and gender-based violence. She confirmed that UNFPA was working with other agencies in addressing those issues.

Asia and the Pacific region

81. Regarding the **Afghanistan** programme, delegations noted the valuable assistance provided by UNFPA over the years. They commended the Fund for assisting the Government in developing reproductive health and HIV-prevention strategies. They welcomed the promotion of education of women and girls. Given Afghanistan's high maternal mortality rate, delegations welcomed the programme's emphasis on safe motherhood. They underscored the need to address the issue of child marriage as a factor contributing to high maternal mortality. They also called attention to the issue of forced marriages. Delegations stressed the need to address HIV-prevention in the context of opium production, drug use and human trafficking. Delegations welcomed the Fund's collaboration on the census, noting that it would generate valuable data for national planning. One delegation asked how UNFPA would build the capacity of the Central Statistical Office to plan for future censuses. The need for UNFPA to have financial flexibility was noted. Concern was expressed about the small size of the Fund's staff at the country level. Delegations encouraged increased cooperation and improved coordination with other donors. Regarding the **Indonesia** programme, delegations commended the reproductive health approach and encouraged UNFPA to share the good practices from Indonesia using the South-South cooperation modality. Given that the national family planning programme only extends to married couples, concern was expressed that only limited target groups could be reached. Delegations welcomed UNFPA efforts to reduce gender inequality and promote women's empowerment.

82. The Director, Asia and the Pacific Division, fully agreed on the importance of addressing the issue of child marriage and other gender issues in Afghanistan. He underlined the need to proceed in a culturally sensitive manner. He confirmed that UNFPA was working collaboratively with other agencies. Indeed, the draft country programme had been developed following extensive consultations with the Government and other development partners. He noted that the census was not a one-off item and UNFPA currently had a three-year plan. He pointed out that the absence of baseline data was a challenge. Concerning HIV prevention, he noted that initial steps were under way. Regarding the country office, he noted that there had been an increase in staffing. Concerning the Indonesia programme, he underscored the importance of working with faith-based organizations and religious leaders in dealing with such culturally sensitive issues as adolescent reproductive health and HIV prevention.

83. The Executive Board took note of the draft country programme documents for Chad, Swaziland, Afghanistan and Indonesia and the comments made thereon.

IX. Technical Advisory Programme

84. The Director, Technical Support Division (TSD), introduced the report on the Technical Advisory Programme, 2006-2007 (DP/FPA/2005/16).

85. Delegations welcomed the role of the country technical services teams (CSTs) in contributing to national policies, including sector-wide approaches and poverty reduction strategies. They welcomed the focus on national capacity-building. Delegations underlined the need to build country office staff capacity and emphasized utilizing local expertise. Some delegations asked for clarification regarding the tasks of the CSTs. They stressed the need to ensure a clear assessment of the impact of the Technical Advisory Programme (TAP) and looked forward to hearing how the TAP would be better institutionalized within UNFPA. Delegations stated that the TAP was a central instrument for United Nations reform and for poverty eradication. They emphasized the need for the TAP to provide more strategic support to countries, and encouraged UNFPA to expand the TAP strategic partnerships programme. Delegations stated that they looked forward to receiving a comprehensive strategy document in 2007. Referring to the TAP strategic partnership programme, the WHO representative underscored the productive partnership with UNFPA, including in promoting universal access to reproductive health.

86. The Executive Director informed the Executive Board that UNFPA and UNICEF had agreed to have annual bilateral consultations to review their work at the highest levels. She noted that similar annual bilateral consultations were already under way with WHO. She noted that there would be a one-time cost involving moving a CST to South Africa. However, the matter was still under discussion. She observed that the Director, TSD, would be taking a four-month sabbatical as Visiting Scholar at Stanford University. She thanked her for leading two UNFPA task forces on United Nations reform and on the Millennium Development Goals.

87. The Director, TSD, appreciated the supportive comments and guidance provided by the Executive Board. Regarding TAP institutionalization, she noted that comprehensive and coherent work planning was under way and CSTs were involved in all steps of the annual work plan. Also, a bottom-up approach was being applied. CST contractual issues were being addressed through the Fund's human resource strategy, and also in the context of regionalization. Concerning the budget for the two-year TAP extension, she noted that it remained at the same level as before with a small increase due to mandatory salary and security costs. She stated that there would be a one-time cost associated with relocating one of the CSTs to South Africa. She assured the Board that the TAP was geared to utilize local expertise. She observed that the report in 2007 would include analysis of how the recommendations of the TAP evaluation had been put into action. She confirmed that the TAP strategic partnerships programme continued to expand partnerships with other United Nations entities. She appreciated the WHO representative's testimony regarding the valuable partnership with UNFPA.

88. The Executive Board adopted decision 2005/39: UNFPA Technical Advisory Programme.

XI. UNFPA role in emergency preparedness, humanitarian response and transition and recovery

89. The Deputy Executive Director (Programme) and the Chief, Humanitarian Response Unit (HRU), made introductory remarks. The Executive Board had before it a report on the UNFPA role in emergency preparedness, humanitarian response, and transition and recovery (DP/FPA/2005/18). A short film was shown on reproductive health in refugee settings.

90. Delegations commended the valuable work and role of UNFPA in emergency and humanitarian settings. They noted that UNFPA had worked quickly in the aftermath of the tsunami, recognizing the vulnerability of women and girls and catering to their needs. They appreciated the contribution of UNFPA in ensuring the continuation of reproductive health commodities and services for tsunami-affected populations. They commended UNFPA for helping to strengthen national emergency preparedness, HIV prevention, and census/data collection and analysis. Delegations encouraged an extension of the Fund's work in transition and post-disaster/post-conflict environments, including fragile states. They called for better integration of emergency response and recovery issues into all UNFPA policies, structures and programmes and endorsed strengthening the Fund's institutional capacity.

91. While noting that a clear strategy had not been articulated in the document, delegations noted that the two informal consultations organized by UNFPA, together with the statement of the Executive Director, had helped to clarify the role of UNFPA in emergency preparedness, humanitarian response, and transition and recovery. Delegations stated that they looked forward to receiving a comprehensive strategy document at the session in September 2006, with staff and cost implications included. They requested that information also be provided about the use of resources and the outcomes from the increased ceiling of the emergency fund. They enquired about the difficulties faced as a result of having a limited budget for emergency/humanitarian response. They asked if UNFPA had considered medium-term and long-term strategies for scaling up activities. Delegations encouraged UNFPA to consider its paradigm shift in the context of the report "In larger freedom: towards development, security and human rights for all" and United Nations reform. Delegations stated that they stood ready to continue their dialogue with UNFPA on its role and comparative advantage in emergency/humanitarian response, and noted that briefings would be useful.

92. Delegations underscored that reproductive health needs were often forgotten in emergency/humanitarian settings. They emphasized the importance of affected populations having access to reproductive health. In that regard, they noted that UNFPA had a key role to play. Numerous delegations underscored the importance of UNFPA coordinating and collaborating with other partners, particularly the Office for the Coordination of Humanitarian Affairs (OCHA). They stressed that there should be a coherent and coordinated United Nations system response in crisis and post-crisis situations. They encouraged UNFPA to continue its participation in joint needs assessments and transition frameworks. Delegations noted the comments on funding inequities, across emergencies and within consolidated appeals. They appreciated the Fund's work in HIV prevention and in addressing gender-based violence. Several delegations thanked UNFPA for the emergency/humanitarian assistance provided to their countries.

93. The WHO representative made a compelling statement about the "key and leading role" of UNFPA in reproductive health in emergency and humanitarian settings. He underscored the collaboration between WHO and UNFPA, including in Indonesia, Sudan and Uganda. He drew the attention of the Executive Board to the use of sexual violence as a weapon of war and the terrible physical damage and psychological trauma suffered by women and girls. He stressed that sexual and reproductive health needs were forgotten during war. He referred to the roles of UNFPA and WHO in an inter-agency initiative being developed to strengthen response to violence against women in conflict situations (the "Stop Rape in War" campaign) and also to the WHO, UNFPA and Social Science Research Council collaboration on development of tools for measurement and monitoring of sexual violence in humanitarian situations. He stated that WHO would continue its partnership with UNFPA.

94. The Deputy Executive Director (Programme) thanked the delegations for their advice and encouragement and took note of the comments regarding strengthening coordination with OCHA and other partners.

95. The Chief, HRU, appreciated the delegations' support and suggestions and stated that UNFPA would work closely with them in developing its corporate strategy for emergency/humanitarian response. She noted that UNFPA and its partners were working to avoid duplication of efforts. She stated that UNFPA had elaborate reports on the use of resources from the emergency fund and would be glad to share them with interested delegations. She observed that UNFPA had garnered many lessons from its emergency/humanitarian work. She paid tribute to the UNFPA staff working in difficult and challenging circumstances.

96. The Executive Board adopted decision 2005/40: UNFPA role in emergency preparedness, humanitarian response, and transition and recovery.

Joint UNDP/UNFPA segment

IV.–VIII. UNDP and UNFPA country programmes and related matters

Draft common country programme document for Cape Verde

97. The Director, Africa Division, UNFPA and the Deputy Assistant Administrator and Deputy Director, Regional Bureau for Africa, introduced the draft common country programme document (CPD) for Cape Verde (DP/DCP/CPV/1 and Add.1, DP/FPA/CCP/CPV/5 and Add.1), underlining the collective efforts by the United Nations Development Group (UNDG) Executive Committee agencies to realize that initiative.

98. The Permanent Representative of Cape Verde appreciated the valuable partnership with United Nations organizations and noted that they had worked closely with the Government in developing the common CPD based on national priorities.

99. Delegations, in general, were pleased with and strongly supported the joint country programme initiative, underlining its relevance in the area of United Nations reforms and simplification and harmonization laid out in General Assembly

resolution 59/250 on the triennial comprehensive policy review (TCPR). They hoped that it could serve as a model for future common country programmes in other countries. There was a request for more clearly defined logframes in the future.

100. One delegation commended UNDP and UNFPA for their collective initiative, in collaboration with the United Nations Children Fund (UNICEF) and the World Food Programme (WFP), in realizing the first common country programme document. It noted, in particular, their work in policy setting, MDG advocacy, assistance in achieving middle-income country (MIC) status, capacity building and fostering partnerships with non-governmental organizations (NGOs), and expressed satisfaction that the proposed programme reflected national priorities.

101. The lessons learned from the experience would serve to refine the joint office model in order to better harmonize the work of United Nations agencies on the ground, in particular regarding enhanced dialogue with the Government, reduced transaction costs, and greater consistency and effectiveness without cutting into programme resources. Also emphasized was the need for close follow-up, systematic dialogue and coordination, an inclusive process, national ownership and commitment, transparency and governance.

102. One delegation suggested that (a) as Cape Verde was set for MIC graduation United Nations agencies should focus on the transition process instead of maintaining its LDC preferential arrangement; (b) the United Nations should contribute via capacity-building to the country's move to World Trade Organization (WTO) membership, with a plan of action outlined in the CPD; and (c) UNDP should work in collaboration with the Millennium Challenge Compact. There was also a request for clarification on joint consideration of CPDs, funding modalities, financial responsibilities and agency-specific accountability, and evaluation and performance reviews.

103. The Director, Africa Division, UNFPA, thanked the Executive Board members for their positive comments. She conveyed special thanks to the Permanent Representative of Cape Verde. She noted that Cape Verde was in a unique position as it was graduating to MIC status: this required United Nations agencies to adjust their programming modalities and to assist the country in such areas as advocacy and resource mobilization. Concerning accountability, she noted that there were agency-specific results for which each agency would be responsible and accountable, including to their respective Executive Boards. She added that the agencies had their logframes/results frameworks and specific indicators and benchmarks. She concurred that it was important for the agencies to strengthen partnerships with all development partners.

104. The Deputy Assistant Administrator and Deputy Director, RBA, expressing thanks for delegations' appreciation of the common CPD, stressed that while repeating the process followed in Cape Verde was possible at the policy level, implementation would be more problematic. While Cape Verde provided a good model, full government support was the key to success. The purpose was to launch a platform from which to assess vulnerabilities and initiate and establish future common CPDs. Indeed, agencies were working together closely to determine how best to collaborate to address those issues. He also assured delegations that agencies were still individually accountable for their resources and results, which were readily traceable, and would report back to their Executive Boards accordingly. He expressed UNDP readiness to work with the Millennium Challenge Account and

called on the latter to identify opportunities to meet its objective through the common country programme in order to achieve greater harmonization of external assistance to Cape Verde.

105. The Executive Board took note of the draft common country programme document for Cape Verde (DP/DCP/CPV/1–DP/FPA/CCP/CPV/5) and the Cape Verde results and resources frameworks for UNDP and UNFPA, respectively (DP/DCP/CPV/1/Add.1 and DP/FPA/CCP/CPV/5/Add.1) and the comments thereon.

VI. Follow-up to UNAIDS Programme Coordinating Board meeting

106. The Executive Board had before it the reports of UNDP (DP/2005/40) and of UNFPA (DP/FPA/2005/17). The Deputy Executive Director (Programme), UNFPA, and the Assistant Administrator and Director, Bureau for Development Policy (BDP), UNDP, made introductory remarks. Following that, the Chief, HIV/AIDS Branch, Technical Support Division, UNFPA, and the Director, HIV/AIDS Group, BDP, UNDP, made a joint presentation.

107. Delegations welcomed the excellent joint presentation and the emphasis placed on support for country-level action. They endorsed the intention of UNDP and UNFPA to pursue the implementation of the recommendations of the Global Task Team (GTT) on Improving AIDS Coordination Among Multilateral Institutions and International Donors. They encouraged United Nations agencies to work together to ensure the most efficient and effective use of resources in HIV-related programming. Delegations noted that the GTT was a major step forward in aid effectiveness and that the agreed division of labour across the United Nations and multilateral system would help to improve support for country-led AIDS responses. They encouraged the agencies to produce an action plan with a clear division of labour among the UNAIDS co-sponsors and asked which activities agencies would drop and which ones they would retain.

108. Delegations underscored the importance of effective reporting on the actions taken by UNDP and UNFPA in implementing the GTT recommendations. They stated that the Joint Meeting of the Executive Boards of UNDP/UNFPA, UNICEF and WFP, in January 2006, would be the next appropriate moment to report on progress. Delegations asked UNDP and UNFPA to consider the role that bilateral agencies could play at the country level in the rollout of the GTT recommendations. One delegation requested an explanation of funding modalities with respect to GTT. Citing UNDP and UNFPA efforts to integrate prevention into treatment delivery, one delegation requested more details on sex-disaggregated data and partnerships with women's and girls' organizations.

109. Delegations welcomed UNDP and UNFPA support to HIV/AIDS programmes at the country level and commended work to address the role of men and boys in responding to AIDS. Recognizing the support that UNDP is providing to Global Fund programmes, delegations urged the organization to act only as principal recipient for grants in exceptional circumstances, and intensify implementation support. Several delegations requested further clarification on how UNDP would promote the mainstreaming of AIDS and gender into PRSPs and provide an update at the first regular session 2006. Delegations encouraged UNDP to provide more

detailed updates on the organization's role in supporting coordination and harmonization.

110. Delegations supported UNFPA action as a co-sponsor in terms of gender-based violence and encouraged harmonization and synergies with the work on gender-based violence undertaken by other United Nations agencies such as WHO and UNIFEM. Underlining the vital importance of reproductive health commodity security in HIV prevention and the key role of UNFPA in this area, delegations noted the need to convey this more clearly in the Fund's report. One delegation called for strengthened integration with reproductive health and increased focus on HIV counselling and testing and supported UNFPA efforts to undertake culturally sensitive programming, including engagement with faith-based organizations. The delegation urged UNFPA to strengthen its country offices, especially those in Africa. One delegation urged more attention to HIV prevention in conflict areas.

111. Prior to adoption of the decision, one delegation noted for the record that the GTT recommendations were developed with the understanding that they would be implemented within the framework of national laws and the regulations and policies of the governing bodies of multilateral organizations and international institutions. Furthermore, agencies should remain fully accountable to their governing bodies and not blur the lines of responsibility for budgeting, funding and financial reporting.

112. The Chief, HIV/AIDS Branch, UNFPA thanked the Executive Board members for endorsing the GTT recommendations and the related decisions of the UNAIDS Programme Coordinating Board. He concurred that agencies should strengthen country-level support. In agreeing that there should be increased focus on HIV prevention in emergency/conflict situations, he noted that this was being discussed with UNHCR, WFP, UNAIDS Secretariat, UNFPA and other partners. He thanked the Board members for their constructive suggestions.

113. The Director, HIV/AIDS Group, UNDP, stressing the UNAIDS cosponsors' commitment to transparency and accountability, informed delegations that key indicators would be developed to track results accordingly. UNDP and UNFPA would report back on their efforts to incorporate decisions of the Programme Coordinating Board into programming at its next Board presentation. He emphasized that while addressing gender and HIV/AIDS is a priority, the response must move beyond analysis to addressing actively the role of men and their responsibilities within families and communities to reduce vulnerability to HIV. The Director highlighted the importance of respecting human rights and adopting appropriate legislation, and reported that UNDP had produced a guide for mainstreaming HIV/AIDS into sectors and programmes, with the World Bank and the UNAIDS secretariat. UNDP and the World Bank were also co-organizing a series of capacity building sessions on mainstreaming AIDS into PRSPs beginning in November 2005.

114. The Executive Board adopted decision 2005/41: Follow-up to the decisions and recommendations of the UNAIDS Programme Coordinating Board.